

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Tuition Policies
Date: September 8, 2003

Recommended Actions:

1. Discuss the identified issues and provide direction, where there is consensus, to Board Office staff regarding broad tuition policy prior to formulation of staff recommendations of the 2004-05 academic year tuition rates.
 2. Consider further study of Board tuition policy and related statutory timing provisions during the upcoming discussion of the Board's five-year strategic plan and legislative priorities for the 2004 session.
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Executive Summary:

Regents have expressed interest in more fully exploring the various aspects of the Board's policies, including tuition policies. The tuition setting process has not in recent years provided a structured framework for broad tuition policy direction from the Board.

The statutory requirements and deadlines for tuition setting by the Board of Regents were enacted in 1987. The most recent modifications to the Board's own tuition policy occurred in December 1997.

Many changes in fiscal, economic, and political circumstances have occurred in recent years. States have dramatically decreased funding to higher education, the economy has struggled, and the cost of a higher education has risen. A review of policies enacted prior to these events seems appropriate.

The purpose of this memorandum is to identify issues related to tuition setting and provide the Board with opportunities to discuss them and provide direction to Board staff. The staff would then implement Board direction for its tuition recommendations to be presented to the Board in October.

This memorandum identifies the following categories of issues for Board discussion related to tuition setting:

- Statutory timing
 - Basis for charging tuition
 - Student fees
 - Evaluation factors
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Background and Analysis:

**Current Tuition
Policy**

The Board's tuition policy, in §8.02A of the Regent Policy Manual, provides:

Resident undergraduate tuition at the Regent universities shall be set annually to keep pace with the Higher Education Price Index (HEPI) and to provide support to finance university programs at levels sufficient to implement the Board's aspirations for excellence as outlined in the Board's strategic plan.

The above tuition policy was adopted by the Board in December 1997 to recognize the aspirations of the Board for strategic improvement of the quality of the universities.

**University
Resources**

Financing of higher education is complex, considering the unpredictability of state funding for the Regent universities. Securing sufficient resources is critical to the successful implementation of the Board's strategic plan. It is necessary for the Board to assure that the funding base is diverse and consistent with the Board's aspirations of becoming the best public education enterprise in the United States.

The universities' general education component is primarily funded by a combination of state funds and tuition revenues. The Board and the Regent universities rely heavily on state appropriations. Funding from the state for base operating appropriations, incremental salary needs, and incremental strategic investments are fundamental to sustaining educational services at the universities.

The Board's tuition setting has had its basic premise in stable funding from state appropriations for general educational operations of the universities. Resources are needed to maintain and improve current operations, and student academic and support services. These include sufficient number of faculty, classroom improvements, instructional equipment, library resources, experiential learning opportunities, student access, class size, and technology.

The Board has supported its institutions by:

- Seeking appropriate state funding for operating and capital improvements needs (G.D.5 through 5e.);
 - Establishing tuition and fees annually to keep pace with inflation in addition to supporting aspirations for excellence;
 - Encouraging the institutions to increase funding from private sources and external research grants and contracts; and
 - Requiring the institutions to reallocate general funds annually.
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ISSUE – STATUTORY TIMING

Statutory Provisions

Iowa Code §262.9(23) requires the Board to have a policy for the establishment of tuition rates that provides some predictability for assessing and anticipating changes.

Iowa Code §262.9(18) requires the Board, when increasing tuition or mandatory fees, to take action no sooner than 30 days after notification of the proposed increase to presiding officers of each student government organization at each affected institution and no later than the November preceding the academic year in which the increase would apply.

Statutory Timing

- The Board of Regents must set tuition no later than November.

As enacted by the 1987 General Assembly, the Board of Regents is required to set tuition no later than November (i.e. tuition for the 2004-05 academic year must be determined no later than November 2003).

- The state legislature and the Governor do not determine appropriations until months later (April, May, or June).

According to state law, the formal state revenue estimates, on which funding decisions are based, are determined in December by the state's Revenue Estimating Conference (REC) (i.e. December 2003 revenue estimates for FY 2005 spending levels). The December revenue estimate may be lowered the following March (2004), but may not be increased.

In January, the legislative session begins and uses the REC estimates to determine state spending levels for the ensuing fiscal year, which begins in July (i.e. the 2004 General Assembly sets funding for FY 2005 normally between January and April).

- The Board does not have the flexibility to adjust tuition rates to compensate for shortfalls in state appropriations.

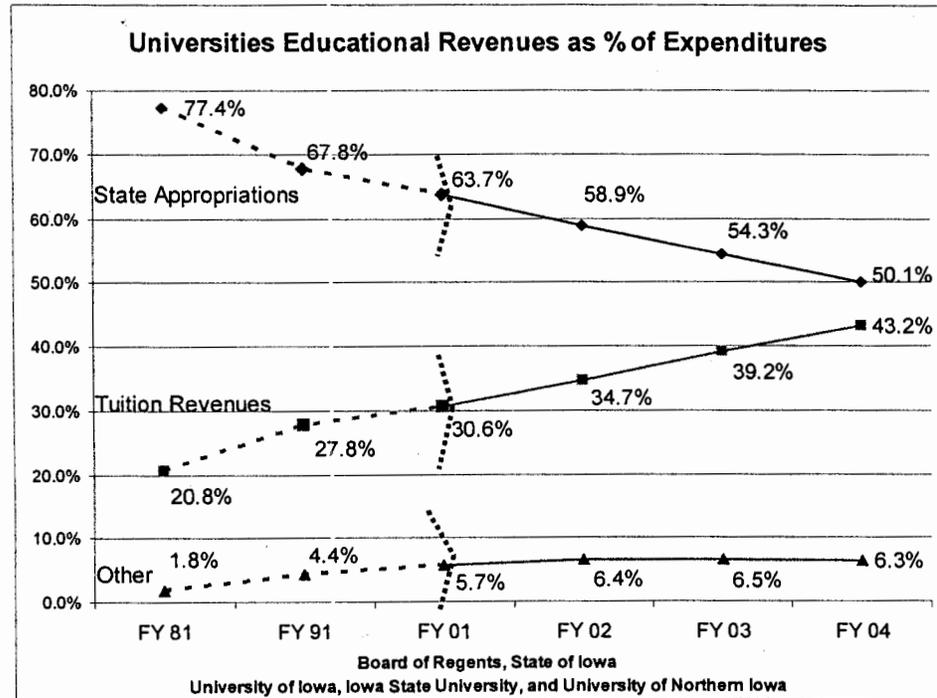
Because of the statutory timing, the Board sets tuition rates prior to the decisions of the legislature and the Governor. Any negative actions taken by the legislature, such as significant reductions in state funding, cannot be addressed by the Board through modified tuition increases until a year after the cuts have been implemented.

The funding decisions for state appropriations and tuition are integral to the financial well-being of the universities. Unless there is a modification of the statute, the Board cannot effectively plan for the future.

State
Appropriations

State appropriations have historically funded a large portion of the universities educational costs.

Since FY 1981, the portion of university expenditures financed by state appropriations has declined from 77.4% to an estimated 50.1%. As noted in the table below, the first two increments represent 10 year periods while the last three segments represent one-year periods.



Appropriations
Reductions

The Regent institutions have experienced appropriations reductions in each of the last five years with the most significant reductions in state appropriations during FY 2002 and FY 2003.

**State Appropriations Reductions
Regent Institutions**

FY 2000	\$(3.4 million)
FY 2001	(2.7 million)
FY 2002	(81.9 million)
FY 2003	(42.6 million)
FY 2004	(17.9 million)

Not only has the state funding to the Regents been reduced, but the Regent share of the state's general fund appropriations has been reduced. From FY 1992 through FY 2001 ranged from 14.7% to 15.3%. For FY 2003, the Regent share was about 14.0%, and lower yet for FY 2004 at 13.3%.

Increased state support in the future will be critical to moderate future tuition increases.

Question for the Board	Is there significant interest by the Board to seek changes during the 2004 legislative session for the statutory timing of tuition setting? (Note: such a change would not impact timing of the fall 2003 decisions on tuition rates for the 2004-05 academic year.)
Considerations	<p data-bbox="467 367 1450 409">Changes in statutory timing for the Board's determination of tuition could:</p> <ul data-bbox="467 430 1450 1008" style="list-style-type: none"><li data-bbox="467 430 1450 504">• Allow the Board to set tuition based on the appropriations decisions of the General Assembly and Gubernatorial actions.<li data-bbox="467 525 1450 630">• Provide for setting of conditional tuitions whereby the Board could establish floors and ceilings, with the final tuition decisions being made after the General Assembly and Gubernatorial actions.<li data-bbox="467 651 1450 724">• Significantly delay the notification of tuition increases to students, which would impede the ability for students to plan.<li data-bbox="467 745 1450 850">• Delay final student financial aid decisions and increase related administrative costs since financial aid notices are generally determined in March.<li data-bbox="467 871 1450 1008">• Delay Board action on tuition until after legislative actions are completed, meaning the Board may presumably not act on tuition until July (after the beginning of the fiscal year), due to the statutory 30-day notification.

ISSUE – BASIS FOR CHARGING TUITION

Student Classification Regent Policy Manual §8.02B outlines the distinctions in charging tuition between resident students and nonresident students.

The rules for classification of a student as a resident or nonresident for tuition and fee purposes are found in the Iowa Administrative Code §681 - 1.4. Those rules include general residency guidelines, with specific discussion of military personnel, American Indians, refugees, and immigrants.

The Board requires that nonresident students pay, at a minimum, the full cost of their education at Regent universities. This policy charges nonresident students a higher tuition rate than resident students. State appropriations, which are provided from tax receipts, subsidize only resident student tuition.

Charging Tuition Regent Policy Manual §8.02C outlines the following direction in charging of tuition.

Undergraduate -- Resident Rates:

- A fixed amount for 12 credits per term and over.
- A fixed amount for 0 – 2 credits per term and an additional amount for each credit from 3 – 11 credits per term.

Undergraduate Tuition -- Nonresident Rates:

- A fixed amount for 12 credits per term and over.
- Rates are to be identical to resident rates for 0 through 4 credits per term and then follow the above pattern for undergraduate resident rates for 5 credits per term and over.

Graduate tuition rates are generally only charged for those students who meet the academic requirements and are admitted to the Graduate Colleges. Graduate students are not allowed to take more than 15 credit hours per term for graduate degrees.

Overload Regent Policy Manual §8.02D restricts the universities from charging additional tuition for any overload credits taken by a full-time student at a Regent university. (i.e. greater than 12 credits)

Surcharges The Regent Policy Manual does not address the establishment of tuition surcharges. In practice, tuition surcharges have been set by the Board of Regents for various professional and graduate programs. These surcharges represent an amount over the base tuition which is earmarked for specific colleges and purposes.

Base tuition and base tuition increases are not earmarked and remain part of the overall general university fund budgeting process. Students enrolled in the designated programs pay the surcharge and receive the benefits of the additional resources in those programs.

Differential Tuition

Current Regent Practice All full-time undergraduate students at the Regent universities are charged the same tuition, based on their residency status.

Regent undergraduate tuition is not based on a student's:

- Academic level.
- Chosen field of study.
- Type of course work or program (i.e. Education rather than Engineering).
- Number of full-time credit hours

Tuition for full-time students is based on taking 12 credit hours or more during a semester.

By Regent University Since the 1990-91 academic year, resident undergraduate base tuition has been the same at the three Regent universities while nonresident graduate tuition has not.

Mandatory fees were only the same across the campuses for the first three years.

By Student Level Some public colleges and universities charge more tuition for upper division students (juniors and seniors) than lower division students (freshmen and sophomores). Some have charged incoming freshmen a large lump sum surcharge in addition to tuition of other students.

By Course Work Some universities charge differential tuition based on the type of course, program, or college.

As public institutions, the Regents have prided themselves in offering accessible quality educational opportunities to all students. Students could be limited in their chosen undergraduate educational career path because of a lack of financial resources, if such a policy were undertaken.

The Board has approved differentials in the universities' mandatory computer fees which are based on the type of program in which a student may enroll.

By Number of Full-Time Credit Hours Taken Some public colleges and universities charge based on a "band" of full-time hours, such as students taking:

- Less than full-time credits are charged by the hour.
- From 12 to 18 credit hours are charged a flat tuition rate.
- More than 18 hours are charged a flat tuition plus an overload fee. The overload fee is charged for all credits hours over 18, which may be charged at equal to or half of the regular per credit hour charge.

Other colleges and universities charge a tuition rate based on the number of credit hours taken in one semester (i.e. per credit hour).

At the Regent universities, generally, it takes approximately 120 credit hours to earn an undergraduate degree. To graduate in four years, a student would need to take an average of 15 credit hours per semester.

Question for the Board

Is there significant Board interest to consider differential tuition for the 2004-05 academic year or future years?

- By university?
- By student level?
- By course work?
- By number of full-time credit hours taken?

Considerations

Potential impacts on students — changes in the existing tuition policy may:

- Complicate students' decision-making on which school to choose if tuition were different among the three Regent universities.
- Complicate student financial aid awards if the charges varied more widely or changed based on the number of hours.
- Lead to greater student satisfaction by virtue of "fairness" in being charged based on personal choices, not a fixed rate.
- Significantly increase the costs to some students, depending on the circumstances, and lower for others.
- Disadvantage/advantage low income students or academically challenged students, depending on the circumstances.
- Eliminate the incentive provided by flat tuition fees for taking more courses, expanding their experiences.
- Discourage students from taking a full load of courses if a per credit hour tuition charge were implemented.
- Minimize "course shopping" by students.
- Provide no financial incentive for students to finish early or on time.

Potential impacts on universities — changes in existing tuition policy may

- Present additional challenges for student retention and graduation (longer time to graduate).
- Make tuition revenues less predictable, depending on the student population (traditional versus nontraditional) as well as course taking.
- Cause unintended reactions to changing classes, increasing scheduling problems, and impacting faculty workload and scheduling.
- Simplify the billing process.
- Add to administrative burdens for student financial aid and additional paperwork such as billings, refunds, and third party dealings.
- Impact enrollment.
- Represent a better business practice — charging students relative to what they are receiving.

Other possible consequences may include:

- Impact on Iowa community college tuitions and Iowa Tuition Grant levels since those rates are based on Regent tuition rates.
 - Determination at a later date on whether the change in charging of tuition may realistically achieve the desired goals.
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ISSUE – STUDENT FEES

Designated-Tuition Fees The Board has set tuition rates in the fall for many years. For more than 70 years, the Board has allocated an amount of the tuition for student activities and student services.

Mandatory Fees During the early 1990's, the Regents approved three types of mandatory fees, which were in addition to tuition - health fees, computer fees, and health facility fees. Mandatory fees provide a distinct resource to respond to the specific needs of students.

The student health fee was approved for FY 1991, after several months of study. This fee eliminated the existing voluntary health fee and created a mandatory student health fee to benefit all students.

The computer fee was initiated in the fall of 1990 for FY 1992. The institutions were charging numerous, miscellaneous computer fees for courses/programs. The Board consolidated these miscellaneous computer fees into a comprehensive fee to improve computer education and access for all students. The mandatory computer fee continues to serve the purpose for which it was established, providing a distinct resource to respond to computer infrastructure and technology needs to support instructional initiatives and programs.

The health facility fee was initiated at Iowa State University for FY 1994 to be applied to debt service obligations on a bond sale that funded the relocation and improvements of facilities for the Student Health Service.

Student Fee Committee During the 1992 General Assembly, legislation was enacted providing students the authority to participate in the allocation decisions for student fees.

Per Iowa Code §262.34B, a student fee committee at each university, composed of five students and five university employees, is required to make recommendations for the student fee allocations to the university president by April 15 for the subsequent academic year.

The university president, in turn, makes a recommendation to the Board and the Board makes the final decision on the allocations of student fees. This process allows student input into the decisions of how the student fees are allocated.

Redirect of Tuition to Mandatory Fees In October 1999, the Board made a fundamental change in the structure of tuition and fees, approving a request of the University of Iowa to establish new mandatory fees for certain student activities and student services rather than using designated tuition revenues. The change took tuition revenues that had been designated historically for student activities and student services, and established them as separate and distinct mandatory fees.

In October 2000, the Board made a similar redirection of tuition to new mandatory fees for Iowa State University and the University of Northern Iowa so that an additional portion of tuition revenues could be utilized for academic programs.

- Consequences This redirection from tuition to mandatory fees produced the following:
- Tuition dollars became available for academic areas and needs.
 - Students paid mandatory fees rather than tuition to support specific programs that promote student activities and services.
 - Students continued to pay the same amount for tuition, plus any base tuition increase approved by the Board for next year (i.e. students continued to pay the same level of tuition, but the funds are spent for different purposes).
- Continued Student Involvement In approving this redirection to mandatory fees, the Board required the universities to return to the Board for specific approval of any increase in fees and to do the following:
- Consult with students regarding the proposed expenditures of the newly available tuition revenues released by redirection of tuition to fees.
 - Report to the Board on revenues and expenditures for all tuition and fees generated by this proposal (including the disposition of unallocated funds).
 - Address the applicability of mandatory fees for part-time students, off-campus students, and summer session students.
- Elimination of Designated-Tuition Fees There has been a mix of mandatory fees and designated-tuition fees on a per student basis. In certain cases, a particular student need was funded from both sources which often caused confusion.
- In November 2002, the Board directed the universities to phase out all allocations of tuition and establish them as mandatory fees, simplifying student fees. Designated-tuition fees will be completely eliminated by the 2004-05 academic year. During the 2003-04 academic year, only UNI had designated-tuition fees.
- Athletics In June of this year, the Board directed the Board Office and the universities to evaluate, prior to the establishment of tuition and fees for the 2004-2005 academic year, the following funding sources for athletics
- Student fees used for athletics and propose, for Board consideration, a policy setting an appropriate maximum amount to be devoted to intercollegiate athletics at each institution.
 - Institutional educational (general university) funds used for athletics and propose, for Board consideration, a policy setting a proportional maximum amount of general university funds to be devoted to intercollegiate athletics at each institution

Historical Data

The following table provides the authorized dollar amount for mandatory fees and designated tuition since the 1989-90 academic year as well as the annual increases.

As of 2004-05, the elimination of designated tuition for student fees will be complete.

	SUI				ISU				UNI			
	Mandatory Fees	Designated Fees*	Total	% Increase	Mandatory Fees	Designated Fees*	Total	% Increase	Mandatory Fees	Designated Fees*	Total	% Increase
1989-90	-	128.92	128.92	7.0%	-	179.96	179.96	7.0%	-	127.50	127.50	7.0%
1990-91	20.00	128.92	148.92	15.5%	20.00	185.36	205.36	14.1%	20.00	131.30	151.30	18.7%
1991-92	120.00	128.92	248.92	67.2%	120.00	192.40	312.40	52.1%	120.00	136.40	256.40	69.5%
1992-93	140.00	132.70	272.70	9.6%	140.00	202.02	342.02	9.5%	140.00	136.20	276.20	7.7%
1993-94	160.00	132.70	292.70	7.3%	176.00	212.02	388.02	13.4%	160.00	142.20	302.20	9.4%
1994-95	164.00	136.02	300.02	2.5%	180.00	221.66	401.66	3.5%	164.00	148.20	312.20	3.3%
1995-96	172.00	141.68	313.68	4.6%	188.00	230.96	418.96	4.3%	172.00	154.20	326.20	4.5%
1996-97	176.00	147.14	323.14	3.0%	196.00	239.04	435.04	3.8%	180.00	159.60	339.60	4.1%
1997-98	194.00	152.88	346.88	7.3%	200.00	248.36	448.36	3.1%	186.00	165.60	351.60	3.5%
1998-99	202.00	162.26	364.26	5.0%	208.00	258.04	466.04	3.9%	194.00	172.00	366.00	4.1%
1999-00	212.00	173.02	385.02	5.7%	218.00	269.64	487.64	4.6%	202.00	179.70	381.70	4.3%
2000-01	298.00	101.64	399.64	3.8%	226.00	281.24	507.24	4.0%	224.00	187.40	411.40	7.8%
2001-02	406.00	87.64	493.64	23.5%	326.00	242.22	568.22	12.0%	324.00	147.30	471.30	14.6%
2002-03	499.00	89.04	588.04	19.1%	418.00	249.86	667.86	17.5%	425.50	167.20	592.70	25.8%
2003-04	651.00	-	651.00	10.7%	686.00	-	686.00	2.7%	574.00	90.00	664.00	12.0%

Question for the Board

Is there significant Board interest in evaluating the use of mandatory fees and/or more directly linking mandatory fee rates to the tuition setting process?

ISSUE – EVALUATION FACTORS

The Board Office normally presents data on the following factors for consideration by the Board during its tuition discussion. Each of the factors is briefly explained below.

The Board Office seeks input regarding the relative importance of each factor. Consensus is being sought as to which of these are the most compelling factors for Board members and should therefore be emphasized most in staff analysis.

Inflation	The specialized sector index for education, the Higher Education Price Index (HEPI), measures inflation for goods and services purchased by colleges and universities. The Board uses HEPI projections to forecast inflation in higher education.
Stability of State Funding	The Regent universities rely heavily on state appropriations. Stable state support is vital to the mission of the Board and its institutions. Historical state funding information is provided.
Historical Tuition Increases	Dollar and percentage increases in Regent tuition and fees over the last several years are provided.
Student Financial Aid	Dollars associated with the Regent tuition set-aside program are segregated between needs-based and merit-based aid. A summary of the types of financial aid and the associated dollars for the preceding fiscal year is also presented.
Total Cost of Attendance	Total estimated costs for resident undergraduate students attending Regent institutions include tuition and fees, room and board, and other costs (books, supplies, transportation, and personal expenses.)
Return on Student Investment	The value of higher education based on a student's educational investment (tuition) and the substantial return in dollars that a student receives over a lifetime of earnings is estimated.
Value of College Education	With each additional level of education, the average salary an individual can earn increases significantly. A Bureau of Census data table is provided showing the differences in average annual salaries by education level.
Market Price	Data provided compares the national average resident undergraduate tuition and fees dollar amounts for public universities with those of the Regent universities tuition and fees over the last 10 years.
Peer Groups	The Board Office performs a comparative analysis on the Board-established peer groups; ten other universities are represented in each of the Regent universities peer comparison groups.
Rankings	Rankings of tuition and per capita income are provided for Iowa, the ten states represented in the Regent universities peer comparison groups, and other states contiguous to Iowa.
National Tuition Averages	The Board Office presents Regent tuition as a percent of the national average tuition.

National per Capital Income	A comparison of Iowa per capita income to the national per capita income as a percent of the national average is illustrated.
Tuition as % of Per Capita Income	The Board Office compares the percentage of per capita income which may be paid toward tuition for Iowa, the ten states represented in the Regent universities peer comparison groups, and other states contiguous to Iowa.
Unit Cost of Instruction	Unit cost represents the general fund supported cost of instruction of a full-time equivalent student at a given level and is calculated making certain assumptions relative to instructional costs at the various student levels (i.e., lower division undergraduates, upper division undergraduates, graduate, and professional. Estimates are made to determine if tuition is expected to cover the unit cost of instruction.
Questions for the Board	Would the data on the evaluation factors identified above be sufficient for the Board's discussion of tuition? If not, what should be added? Which of these existing factors are most important to the Board?

ISSUES FOR FUTURE TUITION POLICY DISCUSSION

Over the last year, various Board members have made comments regarding possible changes for tuition and fees. While it is not possible to deal with all of the tuition-related issues at one time, the Board Office believes that it is important to identify those issues to be discussed in the future.

Those issues include:

- Tuition-Related Miscellaneous Charges
- Uses of Tuition and Fees Dollars
- Qualitative Analysis, related to strategic goals
- Return on Investment Analysis
- Predictability

Tuition-Related Miscellaneous Charges

The Regent Policy Manual specifies that the Board has authority over all institutional or college wide fees over \$1 per semester and all department fees over \$10 per semester. Review and approval of miscellaneous fees and charges is consistent with the Board's strategic plan to provide effective stewardship of institutional resources while advocating for resources needed to provide access to educational, research, and service opportunities.

Miscellaneous charges include both tuition-related and non-tuition-related charges. In each category, students pay only the miscellaneous fees and charges that apply to them; these charges vary depending on each student's program, needs, and interests.

Tuition-related charges include items such as continuing education courses and workshops. These fees are adjusted commensurate with the increase in tuition.

Non-tuition-related charges include a variety of items such as course delivery fees and private music lessons and are presented to the Board in the March/April timeframe at the same time as room and board charges are discussed.

Uses of Tuition and Fees

To what extent should:

- The uses of increased tuition and fee revenues be defined at the time the tuition decision is made?
- Allowances be made for adjustments during the budgetary process?
- Tuition be associated with the Board's reallocation policy?
- Mandatory fees, surcharges, and tuition-related miscellaneous be used in determining tuition increases?

Qualitative Analysis

To what extent should the Board consider the following qualitative areas when evaluating potential tuition increases?

- Access by students to the universities
- Adequate class size
- Achievement and reputation of faculty
- Honors programs
- Opportunities for students to engage in research
- Contributions to economic development
- Student support services

Would it be possible to quantify these qualitative areas in relation to tuition?

Other Return on Investment Analysis

To what extent should the Board consider the following when evaluating tuition increases?

- The public and the state benefit from an educated citizenry.
- Higher education leads to better lives, better jobs, and better quality of life.
- Businesses are attracted to locations with strong links to universities, a highly skilled workforce, and a good environment.

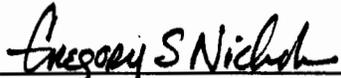
Would it be possible to quantify these benefits in relation to tuition?

Predictability

Numerous concerns have been raised about meeting the challenges of predictable tuition increases. Are there new or additional mechanisms available, consistent with the Board's strategic priorities, that could be identified and explored?


Pamela M. Elliott

Approved:


Gregory S. Nichols

Related Excerpts from the Board's Policy Manual Chapter VIII. Fees and Charges

8.01 Board Responsibilities

The Board of Regents is responsible for establishing fees and charges at the Regent institutions, such as tuition, mandatory fees, miscellaneous charges, room and board rates for university residence systems, and parking rates. Certain exceptions do apply.

Each proposed increase in student charges is presented to the Board twice — first for preliminary consideration and public notice requirements and second for final approval.

State law [I.C. §262.9.18 and IAC §681—9.6(1)] requires the Board to:

1. Notify the presiding officers of the student government organizations not less than thirty days prior to action to increase charges, including a copy of the related docket memorandum; and
2. Make the final decision on tuition and mandatory fees for the next academic year no later than the Board's November meeting, which is to be held in one of the three university cities but not held during the Thanksgiving break.

The Iowa Administrative Code [IAC §681—9.6(2)] requires, that if an increase is proposed from the initial amount to increase a tuition, fee, or charge is increased, the docket is to be resent to student leaders and an additional 30-day notice period is to be given prior to Board approval.

The distribution of Board docket materials relating to the proposed increases shall be sent to the person identified by each institution as the student government president and mailed or emailed to the student government office listed in each university directory

8.02 Tuition

A. Tuition Policy

Iowa law (I.C. §262.9.23) requires the Board to adopt a policy for establishment of tuition rates that provide some predictability for assessing and anticipating changes. Consistent with this requirement, the Board's tuition policy is as follows:

Resident undergraduate tuition at the Regent universities shall be set annually to keep pace with the Higher Education Price Index and to provide support to finance university programs at levels sufficient to implement the Board's aspirations for excellence as outlined in the Board's strategic plan.

B. Classifications of Residents and Nonresidents for Tuition

1. General

The rules for classification of a student as a resident or nonresident for tuition and fee purposes are found in the IAC §681 - 1.4. Those rules include general residency guidelines, with specific discussion of military personnel, American Indians, refugees, and immigrants.

2. Graduate Assistants and Spouses

Nonresident students with graduate assistantships of 1/4-time or more retain their nonresidency classification, but are assessed Iowa resident tuition and fees as long as the graduate assistantship is continued.

The spouse of a nonresident 1/4-time or more graduate assistant is eligible for Iowa resident tuition during the period of the assistantship appointment. Iowa residency is not granted. When the graduate assistantship ends, the resident tuition assessment for the spouse is terminated.

C. Tuition for Students

- A. Undergraduate Part-Time Tuition -- Resident Rates
 - a. A fixed amount for 0 through 2 credits per term.
 - b. An additional amount for each credit per term from 3 credits per term through 11 credits per term.
 - c. A fixed amount for 12 credits per term and over as established by the Board of Regents.
- B. Undergraduate Part-Time Tuition -- Nonresident Rates
 - a. Rates are to be identical to resident rates for 0 through 4 credits per term.
 - b. Follow the above pattern for undergraduate resident rates for 5 credits per term and over as established by the Board of Regents.
- C. Graduate Part-Time Tuition
 - a. A fixed amount for 0 through 2 credits per term.
 - b. An additional amount for each credit per term from 3 credits per term through 9 credits per term for each university.
 - c. A fixed amount for 9 credits per term and over as established by the Board of Regents.
 - d. Rates for nonresident students are to be identical to resident rates for 0 through 4 credits.
- D. Guidelines for counting post-baccalaureate students as graduate students or special students:
 - a. Count as graduate students only those students who meet the academic requirements (e.g., rank in class, grade point average, subject matter background, standardized test scores, etc.) and are admitted to the Graduate College (ISU, SUI). (See [3] for special conditions relative to UNI.)
 - b. Do not permit students to register for more than 15 credits per term for graduate degrees.
 - c. Establish a category of students called special student (or some appropriate equivalent) that includes students with a baccalaureate degree not admitted to the graduate college. This category does not include professional students (medicine, dentistry, law, nursing, pharmacy, veterinary medicine). At UNI, all students with baccalaureate degrees are classified as graduate students upon admission and may be classified subsequently as degree candidates with departmental and graduate college approval.
 - d. Charge special students the same tuition as is charged undergraduate students.
 - e. Recognize that unusual situations may occur and allow deviations from the guidelines set forth above only under conditions as established by the academic vice presidents so that a level of excellence in all programs will be maintained.

D. Tuition for Students Taking an Overload

An additional tuition fee will not be charged for any overload credits taken by a full-time student at a Regent university.

8.03 Mandatory Fees

A. General Policy

Mandatory fees, charged to each student, provide a distinct resource to respond to specific needs of students. Each institution must seek Board approval for any new mandatory fees or changes in mandatory fees. For a new mandatory fee to be established, a university must:

- Consult with students regarding the proposed expenditures of the newly available revenues;
- Report to the Board on revenues and expenditures for all fees generated by the mandatory fees (including the disposition of unallocated funds); and
- Address the applicability of mandatory fees for part-time students, off-campus students, and summer session students.

Each university must establish formal policies and procedures for assessing each mandatory fee and for granting exemptions.

B. Mandatory Fees for Part-Time Students

The institutions must submit any changes regarding assessment of mandatory fees to part-time students to the Board for approval during the annual discussion of tuition and mandatory fees.

C. Exemptions

The universities may grant exemptions from mandatory fees to extension and study abroad students and other off-campus groups, such as student teachers, co-op students, internship students, and practicum students.

University exemption policies should consider the student's access to campus services and physical proximity to campus. University policies should include definitions and criteria for judging access to institutional facilities and should be consistent with related bond covenants.

8.04 Miscellaneous Fees

A. Consistency Among Universities

The three universities are to continue to work together to establish common titles and charges for miscellaneous fees.

Some differences in fee titles and charges may remain because of the unique nature of some programs and services at each institution.

B. Institutional or College-Wide Fees

Universities must secure Board approval prior to the initiation of new student fees or increases in the amount of existing fees. The fees to which these provisions are applicable will include all institutional or college-wide fees over \$1 per semester and all department fees over \$10 per semester. They do not include course fees for payment for materials used, fees that represent returnable deposits, fees assessed for damage or breakage by individual students, and fees assessed to pay for services external to the university.

C. Student Organization Fees

The Board approves the concept of a negative checkoff system (opt-out funding) for a student organization financed by nonmandatory student fee collections for the University of Northern Iowa.

The Board approves the concept of a positive checkoff system (opt-in funding) for students to a student organization financed by nonmandatory student fee collections for the University of Iowa and Iowa State University.

D. Types of Miscellaneous Fees

1. Tuition related

Tuition-related fees include items such as continuing education courses and workshops. The tuition-related fees are presented with the Board's annual discussion of tuition and mandatory fees.

2. Non-tuition related

Non-tuition-related fees include a variety of items such as course delivery fees and private music lessons. In each category, students pay only the miscellaneous fees and charges that apply to them, with variances, in type and amount dependent on each student's program, needs, and interests. The non-tuition-related fees are presented in the spring timeframe when the Board discusses room and meal rates.

8.05 Allocation of Student Fees from Mandatory Fees and Designation Tuition

State law [I.C 262.34B] provides procedures for changing allocations of student fees.

- A student fee committee at each university, composed of five students and five university employees, makes recommendations for the student fee allocations to the university president by April 15 for the subsequent academic year.
- The university president forwards the student fee committee recommendations and provides a recommendation to the Board for consideration.
- The Board makes the final decision on changes to student fees.

Two distinct types of allocations/designations may be made:

- Allocation of certain mandatory student fees; and
- Allocation of a portion of tuition specifically designated as student fees.